LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6167 NOTE PREPARED: Jan 25, 2011 **BILL NUMBER:** HB 1047 **BILL AMENDED:** Jan 20, 2011

SUBJECT: Study Audit Requirements for Service Providers.

FIRST AUTHOR: Rep. Crouch BILL STATUS: As Passed House

FIRST SPONSOR: Sen. C. Lawson

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation</u>: (Amended) This bill requires the Division of Disability and Rehabilitative Services of the Office of the Secretary of Family and Social Services to conduct a study on the number and types of audits and surveys required of entities providing services for which the Division pays and to report back to the Developmental Disabilities Commission and the Health Finance Commission by September 1, 2011.

Effective Date: Upon passage.

Explanation of State Expenditures: *Summary*: This bill may increase state expenditures with a maximum one-time expense of \$25,000.

Additional Information:

(Revised) This bill will increase the workload of the Division of Disability and Rehabilitative Services to conduct the required study of providers in the state and report findings to the Developmental Disabilities Commission and the Health Finance Commission by September 1, 2011. The Family and Social Services Administration (FSSA) reports that the requirements of this bill will require one temporary staff position between the date the bill is enacted and September 1, 2011 (or approximately 1/3 of a fiscal year). Based on the adjusted annual salary of a similar position, it is expected the total maximum expense to the state would be approximately \$25,000.

The additional funds and resources required could be supplied through existing staff and resources currently

HB 1047+ 1

being used in another program or with new appropriations used to either fill a temporary position or contract out the work requirement. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: FSSA.

Local Agencies Affected:

Information Sources: Susie Howard, FSSA, 232-4641.

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HB 1047+ 2